

**Illinois Department of Revenue
Regulations**

Title 86 Part 370 Section 370.130 Effective Date

TITLE 86: REVENUE

**PART 370
METRO EAST MASS TRANSIT DISTRICT
RETAILERS' OCCUPATION TAX**

Section 370.130 Effective Date

- a) When a given Metro East Mass Transit District Retailers' Occupation Tax goes into effect, it applies to sales made in the course of the seller's engaging in the business of selling tangible personal property at retail within the taxing district on or after the effective date of the ordinance imposing such tax. For this purpose, the date of the sale is deemed to be the date of the delivery of the property. If delivery occurs after the effective date, in a transaction in which receipts were received before the effective date and tax was paid on such receipts when received by the seller in accordance with Section 130.430 of the Retailers' Occupation Tax Regulations, no Metro East Mass Transit District Retailers Occupation Tax will be due because of the delivery of the property occurring after the effective date.
- b) Furthermore, in the case of sales of building materials to real estate improvement construction contractors for use in performing construction contracts for third persons, if such property is delivered to the contractor after the effective date of a rate increase but will be used in performing a binding construction contract which was entered into before the effective date of the increase and under which the contractor is legally unable to shift the burden of the tax rate increase to his customer, the applicable tax rate will be the rate which was in effect before the effective date of the rate increase. Before a supplier may deliver materials to a construction contractor after the effective date of a tax rate increase at the rate which was in effect prior thereto, the purchasing contractor must give such supplier a written, signed certification stating that specifically described materials are being purchased for use in performing a binding contract which was entered into before the effective date of the rate increase (specifying such date) and under which the contractor is legally unable to shift the burden of the tax rate increase to his customer, identifying the construction contract in question by its date and by naming the contractor's construction work involved, and by giving the location of the job site where the construction contract is being performed or is to be performed.
- c) The same rule applies when determining the effective date of an increase in the rate of a Municipal Retailers' Occupation Tax.